

Article - Local Government

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§1-1424.

(a) A bond is not:

(1) a debt or liability of the State or a political subdivision of the State; or

(2) a pledge of the full faith and credit of the State or a political subdivision of the State.

(b) Each bond shall state on its face that neither the State nor a political subdivision of the State is obliged to pay the principal of or interest on the bond except from revenues pledged to the payment of the bond.

(c) The issuance of bonds does not directly, indirectly, or contingently obligate the State or any political subdivision:

(1) to impose or pledge a tax to pay the bonds; or

(2) to appropriate money to pay the bonds.

(d) This subtitle does not prohibit an authority from pledging its full faith and credit in connection with the issuance of bonds.

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